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**REMARKS OF SENATOR EDWARD M. KENNEDY**  
**NATIONAL PRESS CLUB**  
*America's New Challenges:*  
*National Security, Economic Recovery and Progress for All Americans*

Two years ago this month, we celebrated the beginning of a new century – indeed, a new millennium. Many people called it the beginning of a new age.

But a new age does not necessarily obey the calendar. A very different kind of new age was ushered in four months ago. The tragedy of September 11 changed America as few events have changed us before in our history. We were stunned by our own vulnerability, shaken by the destruction, and touched by the terrible human losses.

President Bush deserves high marks for his leadership as Commander in Chief in meeting this supreme challenge. Together with my fellow citizens and my fellow Democrats, I support him and I salute his resolve in the fateful fight against terrorism – and for freedom from fear.

A week from today, Congress returns to renew our part in serving and strengthening the nation.

Our first priority is to stand with the President and our armed forces on the frontlines overseas, and to do all we can to protect the homefront against possible new acts of terrorism. But there is another challenge which also demands the best of all of us, and which I hope we can approach with a new bipartisanship. We must reinforce the nation on the homefront by meeting the great domestic challenges here with the same determination that we all have brought to the great challenge from abroad. Despite all the dangers and difficulties, we enter this period with extraordinary possibilities for progress.

A new spirit has taken hold in America – a new sense of community – a new willingness and new commitment to help others – a new understanding that we are all in this together – a new recognition of the helpful role of government – a new readiness on the part of the vast majority of citizens to ask what they can do for each other and for our country.

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In this new time, it is right to stand with the President on the war front – and it is just as right to stand up for fundamental principles on the home front. We can and should support President Bush's conduct of the war, and still ask the administration to join us in addressing the urgent needs of our people in areas like jobs, education, health care, and equal rights.

Some suggest that the nation is returning to business as usual – to politics as usual. I reject that view. The spirit of September 11<sup>th</sup> is a mandate for new missions, not a summons to selfishness.

If we accept less, we fail the innocent men and women and rescue workers who lost their lives in the terrorist attacks. We fail the courageous men and women in uniform who have served so brilliantly in recent months. We fail the spirit of September 11<sup>th</sup>. We fail America itself.

Clearly, our number one priority at home – now and in the years ahead – is the strength of the national economy. It makes no sense for anyone in Congress or the Administration to try to blur the very obvious difference between the short run and the long run. Both are essential for our economic security, and we face major challenges on each.

The most urgent short-run need is economic recovery. I strongly support Senator Daschle's plan. I believe Democrats are ready to work with the President for the kind of immediate, temporary, and fair stimulus that is essential to end this lingering recession and put our national economy back on the path of solid growth for the future.

Neither side will get all it wants if we work together here. But surely we can agree to focus on the large number of laid-off workers and their families who are hurting, and who deserve help the most while they look for new jobs. Surely we can agree on the tax incentives that will actually encourage business investment now, without letting them become a transparent pretext for unaffordable longer-term tax giveaways or special interest bonanzas that the country can't afford.

In this new session of Congress, we must also join together to do a better job of laying the groundwork for meeting and mastering the longer-run challenges before us.

We are being called to action again, as we have been called before at decisive times in our history. We are fighting a war against terrorism – and we are also fighting for our values. Our resources may be limited, but 2002 can be a year in which we make progress on the great unfinished business of our society.

One essential priority is to continue our intense focus on education. For too long, public education has been highly unequal from kindergarten through 12<sup>th</sup> grade. The new school reform law can go a long way to close the gap – but only if we stay the course, and provide the increased resources and guidance essential for schools and students to meet and fulfill the high potential of this far-reaching and genuinely bipartisan achievement.

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I was proud to stand with President Bush as he signed that reform into law. But this is no time for any of us to rest on any laurels. We have only just begun to renew our education system. We have much more to do to realize the ideal of “no child left behind.”

The next great frontier of our commitment to reform should be early childhood education. The politics are complicated, but the goal is simple. Every child should start school ready to learn.

Science tells us that the roots of academic difficulty are established well before the first day of school. In the absence of intervention, children from low-income families score consistently lower on developmental tests by age 2, and the differences increase over time. Children who fall far behind before they enter school have a far more difficult time catching up – but well-designed programs can enhance their learning in the preschool years.

And yet, after nearly 35 years of investment in Head Start, only three out of every five eligible children are enrolled. Early Head Start is the only federal program serving infants and toddlers who are living in poverty – yet it reaches less than five percent – five percent – of eligible children.

I welcome Mrs. Bush’s strong interest and dedication to this issue. She will testify next week before our Education Committee in the Senate. I believe that she and the President can and will join us in working together to develop an effective strategy to promote learning in the earliest years of life.

Like elementary and secondary education, building an effective early education system for the nation will take time, commitment, and resources. Therefore, I propose that we set a bold yet realistic goal. Over the next five years, we should develop the capacity to assure that every child has access to quality early education, starting at birth.

Success in this effort will be achieved if we meet three core objectives. First, we must demand value from our investments. In early education, value is reflected in the quality of a range of important services. The most significant factors are the knowledge and skills of the service providers, and their capacity to form strong relationships with children and their families. These personal characteristics are influenced by training and compensation. Yet thirty states have no training requirements for preschool teachers before they begin to teach. Parking lot attendants are generally paid more to watch our cars than early education professionals are paid to teach our youngest children. On average, early education providers earn 15,430 dollars a year. It can and must become a national priority to change this – to improve the skills, the pay, and the retention of the professionals who teach our children at the dawn of life.

Second, we must acknowledge that school readiness is not only about promoting early literacy and other academic skills. Science tells us that how children feel is as important as how they think, particularly if we are concerned about their capacity to succeed when they get to school. Knowing the alphabet and counting to 10 are not enough, if you can’t sit still or pay attention in the classroom. All young children, regardless of their God-given abilities and economic circumstances, must be engaged in caring relationships and provided with a variety of opportunities to learn in a safe and stimulating environment.

We already know what is needed to promote the intellectual, social, and emotional skills required to learn in school. The time has come for this nation to use that knowledge to help all children achieve that competence – for their own sake, for the sake of their teachers and classmates, and for the sake of America’s future.

Third, it is imperative to develop genuine partnerships among federal, state, and local governments to create a more unified and effective system of early education services for all children, particularly those at greatest risk. Forty-one states are already investing in early education. The early childhood landscape includes a variety of programs, from subsidized child care facilities and private nursery schools to Head Start centers and early intervention services for children with special needs. Too few of the efforts are well-coordinated with each other, but all are guided by the same underlying science. On this shared knowledge base, we must now build stronger ties and eliminate arbitrary barriers. The time has come to coordinate and strengthen the capacity of Head Start and Early Head Start, child welfare, child care, and agencies that administer welfare reform.

I have worked with other members of Congress on bipartisan legislation to provide resources to states and localities to bring existing early learning programs together, and to begin a universal initiative in early education. Although the selection of specific service priorities is best left to states and communities, the federal government can provide greater incentives for the states to create more coherent systems, setting and implementing strategies to assure that young children – all young children – will be healthier, more secure, and ready to learn.

We must narrow the gap between what we know and what we do, to give every young child in America the best possible start in life. We must see to it that millions of children are not left far behind even before they enter the first grade. In the next year, we must address this vastly important frontier of education reform – the first five years of life.

Our goals for America also demand a higher priority for health care. One out of six Americans has no health insurance. The problem is becoming worse, not better. Increasingly, people with disabilities and other illnesses are being shut out of coverage. As the cost of care increases and jobs become less secure, more and more Americans are losing the coverage they have, and they fear that the sudden illness of a child or a loved one will bankrupt their family.

As a result, too many too often go without the health care they need. In fact, those without health coverage are four times more likely not to get medical care than insured Americans. Lack of health insurance is the seventh leading cause of death in the nation today. Medical bills too often force the uninsured to default on their debts or lose everything they have. Inevitably, as medicine advances and as more and more medical miracles become available in this extraordinary new age of the life sciences, health care is increasingly beyond the reach of large numbers of Americans.

America cannot have the best workforce in the world if we do not also have the healthiest workforce in the world. Our failure to guarantee health care is one of our greatest failures as a nation. More than ever, in our modern society, health security should be and must be a basic right for all.

The battle for quality, affordable health care has never been easy. If it were, we would have enacted it a generation ago. But as the new spirit after September 11 calls forth the best in all of us, it challenges us to move forward to good health care for all Americans.

We saw what could be achieved in education reform with genuine bipartisanship. There are disagreements on health policy, as there were and are on education. But at least we should be able to work together for goals widely shared by all Americans, and endorsed by both Presidential nominees in 2000.

We can and should take two major steps this year -- pass the Patients Bill of Rights and pass prescription drug coverage for all senior citizens.

Too often today, HMOs and insurance companies dictate treatment based on economic cost, not medical need. A good Patients Bill of Rights is nearing final approval, and we should complete it as soon as possible. Too many patients across the country have waited too long. It's time for Congress to give them the simple justice of basic protections against HMO abuses.

On Medicare, as prescription drug prices soar, the shameful gap in that basic and beloved federal program becomes increasingly unconscionable. Senior citizens are suffering needlessly because they cannot afford the drugs they need.

Medicare is a solemn promise to every citizen. It says: "Work hard. Contribute to the system. Play by the rules. And we will guarantee affordable health care when you are old." But the world has changed since 1965, and the old ways of Medicare will not do. The power and potential of prescription drugs have revolutionized health care. We break the promise we made then if we leave senior citizens with a kind of half-Medicare that leaves them without medicines essential to health or even life itself.

Some say that in light of the budget projections, this nation cannot afford prescription drug coverage. But just as a family budget is a statement of a family's priorities, a national budget is a statement of national priorities -- and our national priorities are profoundly wrong if we continue to force senior citizens to choose between their prescriptions and their food or their heat or a decent home. It is long past time to close the gap on prescription drugs -- to make Medicare whole again -- and 2002 can and must be the year when we do it.

This effort -- and the plight of the elderly -- must not become the pretext for a partisan plan which disguises yet another attempt to privatize Medicare. Our seniors deserve better than that. So I am here today to say that we will not rest, we will not give up, we will not stop until our senior citizens have a genuine Medicare prescription drug benefit that works well for all of them.

If we have the will, we can take three other steps -- this year -- to ease the growing national crisis over access to health care.

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We can build on the Children's Health Insurance Program enacted in 1997 – by passing the bipartisan legislation introduced last year, to enable parents to qualify for the coverage already available to their children. We can pass the bipartisan legislation now pending to provide affordable health care to families with disabled children.

And we can begin, on a bipartisan basis, to fashion legislation that will require employers with more than 100 workers to be good corporate citizens and provide basic health insurance for their workforce. I know how hard it will be to hammer out an agreement here. But we must try. And if at first we cannot achieve a reasonable approach across party lines, then we must continue to press the case. I believe that we can ultimately prevail – because I believe the American people, across the political spectrum, are ready for national health reform.

We must act on the minimum wage as well. The downturn in the economy has placed strains on the lives of many families. And, as wages stagnate, workers at the bottom suffer most. The current minimum wage is only five dollars and fifteen cents an hour. Americans earning the minimum wage, working 40 hours a week, 52 weeks a year, earn only 10,700 dollars a year – nearly 4,000 dollars below the poverty level for a family of three. On this meager income, they fail to earn enough to afford adequate housing in any area of this country. We must raise the minimum wage by a dollar fifty an hour – and raise it now. No one who works for a living should have to live in poverty.

In addition, the spirit of September 11 calls for policies that not only help working men and women earn a decent living, but assure them time to meet their obligations to their families and their communities.

We must stop asking parents to solve the work-family conflict on their own. We are in a new time and a new place, and we need new solutions. And we must ask private businesses to be partners in this mission.

Our future depends on the development of healthy, well-educated, responsible citizens. Yet our government provides far less support for working and non-working parents than the governments of other nations. This abdication of modern responsibility contributes to the high rate of child poverty in the nation, and the tremendous pressure on today's parents to choose between the jobs they need and the children they love.

We must embrace a new model of the workplace – one that values the needs of parents and all others who care for children. Parents should have the right to leave work to care for a sick child or participate in a parent-teacher conference. New parents deserve assistance so they can afford leave to care for their newborn or newly adopted children. Part-time work must become an affordable and valued alternative to full-time work. Businesses should employ technologies that offer the flexibility to work from home. No one should be required to work overtime when they know it is not healthy, safe, or feasible. We must secure more affordable, more accessible, high quality child-care.

Next, we know that those who lost their lives on September 11<sup>th</sup> were not the only victims of that sad day. For every life lost, there are children, wives, husbands, mothers, fathers, friends, and colleagues who will forever feel the pain of that day.

As we have sought to reach out to them, we have found that our nation's safety net falls short of our nation's generous spirit. Survivors' benefits under Social Security are inadequate to care for the many children who lost their parents. Workers' compensation is insufficient to provide the injured with adequate support for a lifetime of pain. Unemployment insurance and health insurance do not go far enough to help laid-off workers. We must close the gaps in our safety net. The changes we make can be among the most meaningful memorials of all to those who lost their lives on September 11<sup>th</sup>.

At the same time, we must protect the pensions and retirement savings of all workers from the threat of future Enrons. We cannot allow corporate executives to cash in and take home millions while their workers' retirement savings disappear.

We must continue our long-standing bipartisan support of the collective bargaining process, which enables workers and businesses to settle their disputes effectively and fairly.

We must continue to advance the cause of civil rights by strengthening enforcement and oversight, not weakening it.

We should extend equality by prohibiting employers from using sexual orientation as a basis for hiring, firing, promotion, or compensation. It is time – it is long past time – to write the Employment Non-Discrimination Act into the laws of this land. We know of victims in the World Trade Center – contributing, hard-working citizens, who were gay. So was one of the heroes of Flight 93. They died because they were Americans. And their memory should tell us that all Americans should be able to live their lives as full citizens of a free society.

And now more than ever after the indelible sight of the horrors inflicted by hate on September 11th, we must pass hate crimes legislation. Let us send a strong, unequivocal message that hate-motivated violence in any form, from any source, for any reason, will not be tolerated anywhere in this country.

We must continue the battle for responsible gun control, by closing the gun-show loophole, by reversing any misguided attempt to undermine the existing background-check system, and by letting the FBI review federal gun records in the investigation of terrorism and other crimes.

As we work together to strengthen our immigration laws against terrorists, let us also move forward on lasting and long-overdue reforms that will benefit immigrant workers and their families, along with American business and the American economy.

This is a time to stand up for freedom, to heal hurt and injustice, and most of all to serve others. The spirit of assisting others is at an all-time high in our history. It is time for a renewed national resolve to enhance national and community service, so that far more opportunities and incentives will be available for Americans to give something of themselves to help others here at home and in other lands.

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Effective action against international poverty must become a new national priority. We must do more – much more – to ease the harsh conditions in so much of the world that are breeding grounds for despair, extremism, and violence. To succeed – not just now, but in the years ahead – the global war on terrorism must also be a global war on poverty. This is not only a matter of moral obligation; it is an urgent, practical, indispensable element of our future national security.

As night follows day, some will of course say that we cannot afford to move America forward in all these ways. But it is clear that we can afford to do what is right if together we return to fiscal responsibility.

Many fiscally responsible voices, including a number of leading members of the business community, have said we cannot now afford – if we ever could – the 1.7 trillion dollar cost of the tax cuts enacted last year. The doubts that many of us had before the nation was attacked about the affordability of those tax cuts have become certainties in the wake of September 11<sup>th</sup>.

The spirit of this new time is placing major new demands on our national resources, and those demands must take priority. We cannot meet them while making all of the planned future tax cuts unless we raid Social Security and Medicare and cut health, education, and other vital goals. To me, that is not only unacceptable; it is a violation of fundamental pledges that both parties gave in the 2000 campaign.

So why can't we come together, without recrimination or placing blame, and agree on a simple basic proposition. Whatever the merits or demerits of last year's tax bill, it was enacted in what now seems a very different and distant time. Today, for the sake of our country, we must transcend the old boundaries of debate. We must think anew, and act responsibly.

We can and should postpone a portion of the future tax cuts that overwhelmingly benefit the wealthiest taxpayers. Those tax cuts are not scheduled to be made until 2004 and later. We should put them on hold until we are certain that we can afford a prescription drug benefit for senior citizens, make the needed investments in education and health care, protect Social Security and fully provide for the common defense.

My proposal would put on hold approximately 350 billion dollars in future tax breaks for the wealthiest Americans during the next ten years. Over one trillion dollars of tax cuts will still take effect as scheduled. Families earning less than 130,000 dollars a year and filing joint returns would not be affected. No taxpayers would pay a higher tax rate than they pay now. In fact, income tax rates for everyone will still be lower in 2002 and in succeeding years than they were in 2001. The child tax credit would be increased as planned, and marriage penalty relief would be provided as scheduled.

We can achieve 350 billion dollars in savings by avoiding these future reductions in the tax rates paid by the wealthiest taxpayers in the highest income brackets, and by maintaining the tax on estates above 4 million dollars. These wealthiest taxpayers will receive less of a tax reduction than they anticipated – but they will still be receiving billions of dollars in new tax breaks.



These future tax cuts for those at the top are not part of the fight against the recession. They are not scheduled to occur until long after the economy emerges from the downturn. In fact, taking fiscally responsible action now will actually help the economy – by leading to reductions in long-term interest rates that have remained stubbornly high because of the fear that unaffordable tax cuts will lead to growing federal deficits throughout the decade. Reducing that threat will reduce the cost of long-term borrowing for businesses, and provide a stimulus for new job creation now.

Future additional tax breaks for the wealthy do not deserve higher priority than strengthening education – or covering prescription drugs under Medicare – or protecting Social Security – or meeting other urgent national priorities.

I have no illusions that the work ahead will be easy, or that the debates in Congress will be easily resolved. We had to disagree, discuss, and listen to each other to reach the historic reform in education that the President has just signed into law. Positions that were once regarded as non-negotiable had to give way.

We will not end all our differences, nor should we yield on fundamental principles in which we believe. Of course, some will disagree with some of the proposals I have made today. Some no doubt will disagree with most or all of them.

But surely, for example, a future tax cut for the wealthiest, which they have not yet received, is not a matter of high principle. We have more urgent needs at home as well as abroad. And we cannot be strong abroad if we are weak at home.

So I look forward to this new session of Congress, to the dialogue ahead, and the progress we can make. This is a time of testing unlike any other in our history. Our adversaries thought they could force us to retreat. But we will not and must not retreat – abroad or at home.

The American people have shown that they are ready for great missions that meet the demands of this new age. They are the creators of the new spirit of September 11<sup>th</sup>. Now, we in public life must match the standard the people have set. I intend to do my best to see that we do what is best – not just for one political party or the other, but for America and its enduring ideal of “liberty and justice for all.”